

**DEPARTMENT OF STATE REVENUE**

**LETTER OF FINDINGS NUMBER: 01-0222P**  
**Individual Income Tax**  
**Calendar Year 2000**

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**ISSUE(S)**

I. **Tax Administration** – Penalty

**Authority:** IC 6-8.1-10-2.1(d); 45 IAC 15-11-2

Taxpayer protests the penalty assessed.

II. **Tax Administration** – Interest

**Authority:** IC 6-8.1-10-1; 45 IAC 15-11-1

Taxpayer protests the interest assessed.

**STATEMENT OF FACTS**

Taxpayer's representative protests the penalty and interest assessed and states that she prepared the taxpayer's Indiana State Income tax Return. Due to a software transfer error, the tax software used failed to compute the county tax and the representative had no idea about the county tax. Taxpayer's representative further states that had her clients known about the county taxes owed, they would have been paid timely.

I. **Tax Administration** – Negligence Penalty

**DISCUSSION**

Taxpayer's representative requests that the Department waive the penalty assessed because there was a software problem and she was unaware of a county tax.

Taxpayer has previously filed Indiana tax returns with remittances for county taxes. Taxpayer's representative was negligent in failing to verify the information contained on the prepared IT-40 before mailing it to the Department.

Taxpayer has not provided reasonable cause to allow a waiver of the negligence penalty.

**FINDING**

Taxpayer's protest is denied.

**II. Tax Administration – Interest**

**DISCUSSION**

Taxpayer requests a refund for interest paid.

**FINDING**

The Indiana statute does not allow a waiver of interest.